

<i>OCFS</i> <i>Early Childhood</i> <i>Division</i>	DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	ACTION TRANSMITTAL	
	1. Log No: DCCS-PI-CC-2007-01R	2. Issuance Date: 11/6/07
	3. Originating Program: Child Care and Head Start	
4. Subject: FY2008 Client Income Guidelines/Fee Schedule		

PROGRAM INSTRUCTION

TO: Child Care Voucher Management Agencies, Contracted Child Care Slots Agencies, Other Interested Parties

REFERENCES: Child Care and Development Fund 45 CFR Parts 98 and 99, July 1998 and Social Services Block Grant Program, Final Rule, 58 Fed. Reg. 218, 60117-60133 (November 15, 1993), (codified at 45 C.F.R. pt. 96, et al.).

PURPOSE: Child Care Income Guidelines and Fee Schedule Effective October 1, 2007 through September 30, 2008

BACKGROUND: Contracted Child Care Service providers and voucher management agencies shall adopt the attached guidelines and fee assessment criteria effective 10/1/2007 through 9/30/2008. Please retain and implement these guidelines and fee assessment criteria for FY2008.

Because fewer funds are available for child care subsidy, the income eligibility for entrance into the child care subsidy program has been lowered to 75% of the State Median Income. The upper limit of eligibility or exit eligibility remains at 85% of the state median income. Parents who are currently receiving a subsidy and those who enter at or less than 75% of the State Median Income will be allowed to receive a child care subsidy until their income is greater than 85% of the State Median Income as long as other programs eligibility rules are met.

Please note there have been changes in both the Maximum income guidelines and the Fee Assessment Criteria as a result of current updates of the Federal Poverty guidelines and Maine's Median Income. These changes are reflected in the attached Guidelines and the Fee Assessment Criteria. It is important that your agency pay close attention to the maximum guidelines and fee assessment criteria for the FY2008 contracts when determining client's eligibility.

The Rules and Regulations for the Child Care and Development Fund Block Grant state: "A family is required by the statute at section 658E (c)(5) to share in the cost of subsidized care, unless the Lead Agency (in Maine that is DHHS) waives the fee pursuant to §98.42(c) and § 98.20 (a)(3)(ii). The sections noted allow co-payments to be waived for those whose income is at or below the poverty level and for children in protective services on a case-by-case basis. The State has flexibility in deciding the amount of the fee charged and whether to waive the fee.

Maine has chosen to charge a sliding fee for **all** families beginning with those whose incomes are between 0-25% of the federal poverty line. On a case-by-care basis, the Department of Health and Human Services or Tribal caseworker may waive/reduce the fees assessed to Child Protective Services, child post-protective and child custody clients who are referred by the Department or federally recognized Tribe.

All providers who receive child care subsidy funds **must** charge parents a sliding fee based on the parent's income.

The total amount of fees assessed to a family for all of their children shall not exceed 10% of the family's gross income. The **youngest** child will always be considered the first child when figuring the 10% maximum co-pay.

Starting this year, all parent fees will be rounded down to the nearest dollar. The actual co-pay being charged to parents must be entered into the child care subsidy software. At no time shall the parent fee exceed 10% of the family's gross income for all of their children.

Neither the Lead Agency nor any contracted agency has the authority to **categorically** waive the fee for protective services or foster care or any other group such as teen parents.

Contracted child care slots agencies that have fee waiver policies established by a Board of Directors may issue a fee waiver in an emergency, on a case by case basis, when requested by a client. The provider organization's Board of Directors must use other revenue (non federal/state) to pay for a fee reduction to fill in the payment "gap" created by such a practice.

Provider organizations shall retain documentation of waivers and reductions in client's files, including supporting documentation of need, specific review process for each case and the source of funds used to fill the "payment gap" created.

In all instances where fee waivers or reductions are granted/approved, the provider organization approving the waiver will not be paid, through a contract or voucher, the parent co-pay portion of the child care subsidy identified in an individual fee agreement

Carolyn Drugge
State Child Care Administrator

CLIENT INCOME ELIGIBILITY CRITERIA

Individuals eligible for child care subsidy from the Department of Health and Human Services must comply with income eligibility criteria below.

Funds	Child Care Development Funds (CCDF), State Funds for Purchased Social Services (SFPSS), Fund for a Healthy Maine (FHM), Social Services Block Grant (SSBG), Temporary Assistance to Needy Families (TANF)
Income Eligibility	All entering families must meet income guidelines of gross family income at or below 75% of the state median income. Families must exit the program when their income is greater than 85% of the state median income. A DHHS child welfare caseworker may waive eligibility, on a case by case basis, for children in open protective, post protective (3 month limit) or children in care and custody of state or Tribe. (PX09,PX99,CX09)
Fee Assessment	Fees are assessed to all families. The Department or Tribal caseworker may waiver/reduce the fees assessed to Child Protective Services, child post-protective and child custody clients who are referred by the Department or federally recognized Tribe.

MAXIMUM ENTRANCE GROSS INCOME GUIDELINES – CHILD CARE SERVICES

@ 75% of the State's Median Income for State Funds (SPSS), Fund for a Healthy Maine (FHM)
Child Care Development Funds (CCDF), Temporary Assistance to Needy Families (TANF),
Social Services Block Grant (SSBG)

OCTOBER 1, 2007 THROUGH SEPTEMBER 30, 2008

FAMILY SIZE	ANNUAL INCOME	MONTHLY INCOME (ANNUAL/12)	WEEKLY INCOME (ANNUAL/52)
	@ 75% of State Median Income	@ 75% of State Median Income	@ 75% of State Median Income
1	\$25,274.44	\$2,106.20	\$486.05
2	\$33,051.06	\$2,754.26	\$635.60
3	\$40,827.78	\$3,402.32	\$785.15
4	\$48,604.50	\$4,050.38	\$934.70
5	\$56,381.22	\$4,698.44	\$1,084.25
6	\$64,157.94	\$5,346.50	\$1,233.81
7	\$65,616.08	\$5,468.01	\$1,261.85
8	\$67,074.21	\$5,589.52	\$1,289.89
9	\$68,532.35	\$5,711.03	\$1,317.93
10	\$69,990.48	\$5,832.54	\$1,345.97

MAXIMUM EXIT GROSS INCOME GUIDELINES – CHILD CARE SERVICES

@ 85% of the State's Median Income - State Funds (SPSS), Fund for a Healthy Maine (FHM)
Child Care Development Funds (CCDF), Temporary Assistance to Needy Families (TANF),
Social Services Block Grant (SSBG)

OCTOBER 1, 2007 THROUGH SEPTEMBER 30, 2008

FAMILY SIZE	ANNUAL INCOME	MONTHLY INCOME (ANNUAL/12)	WEEKLY INCOME (ANNUAL/52)
	@85% of State Median Income	@ 85% of State Median Income	@ 85% of State Median Income
1	\$28,644.36	\$2,387.03	\$550.85
2	\$37,457.87	\$3,121.49	\$720.34
3	\$46,271.48	\$3,855.96	\$889.84
4	\$55,085.10	\$4,590.43	\$1,059.33
5	\$63,898.72	\$5,324.89	\$1,228.82
6	\$72,712.33	\$6,059.36	\$1,398.31
7	\$74,364.89	\$6,197.07	\$1,430.09
8	\$76,017.44	\$6,334.79	\$1,464.87
9	\$77,669.99	\$6,472.50	\$1,493.65
10	\$79,322.54	\$6,610.21	\$1,525.43

CLIENT FEE ASSESSMENT CRITERIA

Individuals eligible for child care subsidy subsidized by the Department of Health and Human Services funds must comply with the following fee assessment criteria. The DHHS Child Protective Caseworker may waive/reduce fees for children in open protective, post protective (3 month limit) or children in care and custody of state or Tribe. (PX09, PX99, CX09)

**OCTOBER 1, 2007 THROUGH SEPTEMBER 30, 2008
FEE ASSESSMENT CRITERIA**

% of Federal Poverty Guidelines to 85% of State Median Income	Co-Payment FEE ASSESSMENT % OF WEEKLY GROSS INCOME	WEEKLY GROSS INCOME BY FAMILY SIZE				
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		1	2	3	4	5
Up to 25%	2%	\$0 - 49.09	\$0 – 65.82	\$0-82.55	\$0 – 99.28	\$0 – 116.01
26 to 50%	4%	\$49.10 – 98.17	\$65.83 – 131.63	\$82.56 – 165.10	\$99.29 – 198.56	\$116.02 – 232.02
51 to 75%	5%	\$98.18 – 147.26	\$131.64 – 197.45	\$165.11 – 247.64	\$198.57 – 297.84	\$232.03 – 348.03
76 to 100%	6%	\$147.27 – 196.35	\$197.46 – 263.27	\$247.65 – 330.19	\$297.85 – 397.12	\$348.04 – 464.04
101 to 125%	8%	\$196.36 – 245.43	\$263.28 – 329.09	\$330.20 – 412.74	\$397.13 – 496.39	\$464.05 – 580.05
126 to 150%	9%	\$245.44 – 294.52	\$329.10 – 394.90	\$412.75 – 495.29	\$496.40 – 595.67	\$580.06 – 696.06
151 to 200%	10%	\$294.53 -392.69	\$394.91 – 526.54	\$495.30 – 660.38	\$595.68 – 794.23	\$696.07 – 928.08
85% Median	10%	\$392.70 – 550.85	\$526.55 – 720.34	\$660.39 – 889.84	\$794.24 – 1059.33	\$ 928.09 – 1228.82
		6	7	8	9	10
Up to 25%	2%	\$0 – 132.74	\$0 - 149.47	\$0 – 166.20	\$0 – 182.93	\$0 – 199.66
26 to 50%	4%	\$132.75 – 265.48	\$149.48 – 298.94	\$166.21 – 322.40	\$182.94 – 365.87	\$199.67 – 399.33
51 to 75%	5%	\$265.49 – 398.22	\$298.95 – 448.41	\$322.41 – 498.61	\$365.88 – 548.80	\$399.34 – 598.99
76 to 100%	6%	\$398.23 – 530.96	\$448.42 – 597.88	\$498.62 – 664.81	\$548.81 – 731.73	\$599.00 – 798.65
101 to 125%	8%	\$530.97 – 663.70	\$597.89 – 747.36	\$664.82 – 831.01	\$731.74 – 914.66	\$798.66 – 998.32
126 to 150%	9%	\$663.71 – 796.44	\$747.37 – 896.83	\$831.02 – 997.21	\$914.67 – 1097.60	\$998.33 – 1197.98
151 to 200%	10%	\$796.45 –1061.92	\$896.84 – 1195.77	\$997.22 - 1329.62	\$1097.61 – 1463.46	\$1197.99 –1597.31
85% Median	10%	\$1061.93 -1398.31	\$1195.78 – 1430.09	\$1329.63 – 1461.87	\$1463.47 – 1493.65	

All individuals eligible for full-time child care subsidy shall be assessed a fee equal to the Fee Assessment Percentage multiplied by the family's weekly gross income for full-time care (30+ hours per week). Use chart above to determine applicable percentage.

Parent's whose infants, toddlers and/or preschoolers are receiving three-quarter time care (20-29 hours per week) shall be assessed a fee that is 75% of the full-time fee; half-time care (10 to 19 hours per week) shall be assessed a fee that is 50% of the full-time fee; for 1-9 hours of care per week shall be assessed a fee that is 25% of the full-time fee. School-age care hours for three-quarter, half and one-quarter time differ from other types of care. See chart below.

	Full-time Fee 100% of assessed fee	Three- quarter time Fee – 75% of full- time fee	Half-time Fee – 50% of full-time fee	One-quarter time Fee 25% of full-time fee
Infants, Toddlers and Preschoolers	30+ hours per week	29-19 hours per week	10-19 hours per week	Less than 10 hours per week
School Age	30+ hours per week	12-29 hours per week	6-11 hours per week	1-5 hours per week

For families with more than one child in care, whether enrolled by the Contractor or another Department-funded child care provider or a child care provider not funded by the Department; the assessed fee shall be reduced by

50% for the second child enrolled; the assessed fee shall be reduced by 75% for the third child enrolled and there shall be no fee assessed for the fourth child enrolled. For families with more than one child in care, **the youngest child is always considered the first child enrolled. The total amount of assessed fees to a family shall not exceed 10% of the family's gross income for all of their children.** Families who have children enrolled in other child care programs must provide proof of payment to document the cost of that care.

Weekly fee assessments **must** be rounded **down** to the **nearest dollar**. All assessed parent fees shall be paid directly to the caregiver by the parent.